

null
Diana T Fritz 12/05/2006 11:41:04 AM From DB/Inbox: Search Results

Cable
Text:

C O N F I D E N T I A L ABU DHABI 00349

SIPDIS
CXABU:
ACTION: AMB
INFO: POL ECON DCM

DISSEMINATION: AMB
CHARGE: PROG

APPROVED: AMB:MJSISON
DRAFTED: ECON:ELWILLIAMS
CLEARED: A/DCM:OJOHN

VZCZCADI113
PP RUEHC RUEHZM RUEHC
DE RUEHAD #0349/01 0240746
ZNY CCCCC ZZH
P 240746Z JAN 05
FM AMEMBASSY ABU DHABI
TO RUEHC/SECSTATE WASHDC PRIORITY 7830
INFO RUEHZM/GULF COOPERATION COUNCIL COLLECTIVE PRIORITY
RUEHC/DEPT OF LABOR WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 ABU DHABI 000349

SIPDIS

STATE PASS USTR

E.O. 12958: DECL: 01/24/2015
TAGS: [ELAB](#) [ETRD](#) [TC](#)
SUBJECT: PROPOSED CHANGES TO UAE LABOR LAW

REF: ABU DHABI 296

(U) Classified by Ambassador Michele J. Sison, reason 1.4
(b) and (d).

¶1. (U) Summary: During meetings with A/USTR William Clatanoff on January 17(reftel), Ministry of Labor officials listed points that are expected to change in the revised labor law that is expected to be issued by summer 2005. The UAEG has been working on a revision to the 1980 Labor Law for several years to improve compliance with ILO standards and market reform, and the new draft is nearly ready to be sent back to the Ministry of Justice for technical review. End summary.

¶2. (C) The UAEG has been working on a revision to the 1980 Labor Law for several years to improve compliance with ILO standards and market reform. Labor Minister Al Ka,abi said he pulled the draft revision back from the Ministry of Justice technical review committee, after taking office in November 1, 2004. Al Ka,abi has been marking up the text, and the new draft is almost complete, but it still awaits technical review at the Ministry of Justice. MFA U/S MFA Abdullah Rashid told Clatanoff that the law would be finished before the UAEG breaks for the summer (i.e. June).

¶4. (C) Labor and legal advisors at the Ministry of Labor briefed on some of the proposed changes to the labor law, which are designed primarily to bring the law more clearly in compliance with ILO standards and to accomplish needed labor market reforms. Specific proposed changes are listed below (not a fully comprehensive list):

-- Repeal Article 15, paragraph 3, which currently states that the Ministry of Labor and Social Affairs may cancel the work permit issued to a non-national if it is discovered that a national employee is qualified to replace him.

-- Amend Article 20, which currently states that juveniles of both sexes shall not be employed before reaching fifteen years of age. The revised draft will change the minimum age of employment to 18 for those employed in potentially dangerous jobs.

-- Amend Article 30, which discusses maternity leave rights for women. The revised law will amend the law to increase the entitlement of maternity leave and benefits before and after the birth.

-- Amend Article 42, which sets the minimum age of 12 years for individuals engaged in apprenticeship contracts. The revised law will increase the age of eligibility to start an apprenticeship to 15 years.

-- Amend Article 55, which currently states that wages shall be paid during a working day and at the place of work in the national currency of the country but does not specify any grace period. The revised law will provide a five day grace period from the date of entitlement. Thereafter, punitive sanctions will be applied to companies withholding wages. (Note: This is designed to address the problem of workers going unpaid for months before filing their complaints with the MoL. End note.).

-- Amend Article 173, which deals with the rights of labor inspectors. The revised law will increase the power of safety and industrial inspectors to shut down establishments where dangerous work situations are present.

-- Amend Article 128, which states that if a non-national employee left his work for no valid reason before the end of his specified contract, he may not seek any other employment even with the consent of his employer for one year from the date of leaving his job. The revised law will more explicitly discuss valid reasons that would not subject an employee to this law, particularly if safety standards were not met. (Note: According to MoL labor lawyers, the original article allows workers to leave their place of work if they felt it was unsafe. They explained that this was how they interpreted the law, and the revision is meant to clarify this provision. End note.).

-- Amend the original law to endow the Ministry of Labor and Social Affairs with powers to organize the labor market, particularly adding the ability to introduce employment agencies that meet ILO standards.

-- Amend the law to give work and safety inspectors more facilities and powers to conduct investigations and act on the results.

-- Add a new section providing for the formation of labor unions. The UAEG may pass a separate labor union law or may include it in the revised labor law (see reftel).

-- Increase the time from two weeks to thirty days for the legal advisor to settle cases between employees and employers in accordance with international standards.

-- Reduce the severance payment to employees from the current 21 days for every year or service to 15 days in accordance with other Arab gulf countries.

-- Streamline social insurance and the severance payment process to avoid double payments and to simplify the process

13. (C) Overall, these proposed amendments are meant to address labor market reform, bring the labor law into compliance with ILO standards, and streamline remuneration processes. UAE labor officials tell us that they are attempting to revise the law without sacrificing national security interests, pointing out that more than 90 percent of the private labor force is composed of foreign workers. These proposed amendments are still considered informal, since the draft must now be reviewed by a technical committee

at the Ministry of Justice and be approved by the Cabinet
before the law can be published.
SISON